



NEWS RELEASE

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National Ombudsman's Report Shows Progress Continues in Regulatory Reform

WASHINGTON – A new report from the National Ombudsman shows continuing progress in regulatory reform for U.S. small businesses under the Clinton-Gore Administration.

“This year’s report shows that federal agencies have made strong efforts to respond to the concerns of America’s small businesses, and that the ‘Reg-Fair’ effort is paying off,” said U.S. Small Business Administration (SBA) Administrator Aida Alvarez. **“The National Ombudsman and Regulatory Fairness Boards are a high priority at SBA, providing a voice that makes a real difference in the regulatory enforcement environment.”**

The National Ombudsman’s 1999 Report to Congress is based on the comments of over 300 small business owners and operators who testified at Fairness Board hearings or sent in written comments to the Office of the National Ombudsman. The annual report looks at 36 federal agencies and the changes they have made to make the regulatory environment friendlier for small business.

The report is mandated by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA). Building on President Clinton’s executive initiatives to create a friendlier government environment for small businesses, the Act created a National Ombudsman and 10

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regional “Regulatory Fairness Boards,” each comprised of five small business owners, to evaluate agencies and promote fairness in regulatory enforcement and compliance.

The National Ombudsman’s program, called RegFair for **Regulatory Fairness**, elicits reports from small businesses on their experiences with federal regulatory enforcement actions, and contrasts them with what agencies say are their current practices.

According to the report, the most responsive agencies – rated by the timeliness of their responses to small business concerns – are the Department of Agriculture, the Commodity Futures Trading Commission, the Customs Service, the Department of Housing and Urban Development, the Federal Deposit Insurance Corporation, and the Small Business Administration.

The National Ombudsman’s 1999 Report calls on agencies to make 10 changes in the way they conduct business with small business. One of the key changes sought is the development of a protocol for agency personnel to use during inspections or site visits to help sensitize them to small business owners’ concerns.

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The U.S. Small Business Administration, established in 1953, provides financial, technical and management assistance to help Americans start, run, and grow their businesses. With a portfolio of business loans, loan guarantees and disaster loans worth more than \$45 billion, the SBA is the nation's largest single financial backer of small businesses. Last year, the SBA offered management and technical assistance to more than one million small business owners. The SBA also plays a major role in the government’s disaster relief efforts by making low-interest recovery loans to both homeowners and businesses.

America’s 23 million small businesses employ more than 50 percent of the private workforce, generate more than half of the nation’s gross domestic product, and are the principal source of new jobs in the U.S. economy.

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